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BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

COMPONENT UNIT FINANCIAL STATEMENTS
FOR THE YEAR ENDED December 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-25-04

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

COMPONENT UNIT FINANCIAL STATEMENTS
FOR THE YEAR ENDED December 31, 2003

CONTENTS

	<u>Statement</u>	<u>Page(s)</u>
UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL STATEMENTS-GOVERNMENTAL ENTITY	-	1-2
REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	-	3-4
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	-	5-6
COMPONENT UNIT FINANCIAL STATEMENTS		
Combined Balance Sheet - All Fund Types and Account Groups	A	7
Governmental Fund Type:		
Statement of Revenues, Expenditures, and Changes in Fund Balance	B	8
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Budgetary Basis) and Actual - General Fund	C	9
Notes to the Financial Statements	-	10-19
Additional Information:		
Schedule 1 - Compensation of Board Members	-	21
Schedule 2 - Prior Year Findings	-	22
Schedule 3 - Management's Corrective Action Plan	-	23

ELLIOTT & ASSOCIATES, INC.

A Professional Accounting Corporation

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W. Micheal Elliott, CPA

UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL STATEMENTS-GOVERNMENTAL ENTITY

INDEPENDENT AUDITOR'S REPORT

Board of Control
Beauregard Parish Library
Beauregard Parish Police Jury
DeRidder, Louisiana

I have audited the accompanying general-purpose financial statements of the Beauregard Parish Library, a component unit of the Beauregard Parish Police Jury, as of and for the year ended December 31, 2003, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Beauregard Parish Library's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Beauregard Parish Library as of and for the year ended December 31, 2003, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 29, 2004, on my consideration of the Beauregard Parish Library's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The accompanying schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Elliott & Assoc. "APAC"

Leesville, Louisiana

June 29, 2004

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Control
Beauregard Parish Library
Beauregard Parish Police Jury
DeRidder, Louisiana

I have audited the financial statements of the Beauregard Parish Library as of and for the year ended December 31, 2003, and have issued my report thereon dated June 29, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Beauregard Parish Library's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Beauregard Parish Library's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information and use of management, others within the organization, the Board of Control, and the Louisiana Legislative Auditor and is not to be and should not be used by anyone other than these specified parties.

Elliott & Assoc. "APAC"

Leesville, Louisiana

June 29, 2004

BEAUREGARD PARISH LIBRARY
 BEAUREGARD PARISH POLICE JURY
 DERIDDER, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 December 31, 2003

	<u>General</u>
ASSETS	
Cash and cash equivalents (Note 2)	\$ 688,156
Receivables:	
Ad valorem taxes (Note 4)	919,695
State revenue sharing	34,086
Land and improvements (Note 5)	---
Buildings and improvements (Note 5)	---
Furniture and equipment (Note 5)	---
Library books and periodicals (Note 5)	---
Amount to be provided for retirement of general long-term obligations (Note 7)	---
TOTAL ASSETS	\$1,641,937
 LIABILITIES AND FUND EQUITY	
Liabilities:	
Accounts payable	\$ 23,688
Ad valorem deduction (Note 4)	32,226
Payroll taxes payable	1,019
Compensated absences payable (Notes 3 and 7)	---
General obligation bonds payable (Note 7)	---
Total liabilities	56,933
Fund Equity:	
Investments in general fixed assets (Note 5)	---
Fund balances:	
Unreserved - undesignated	1,585,004
Total fund equity	1,585,004
TOTAL LIABILITIES AND FUND EQUITY	\$1,641,937

The accompanying notes are an integral part of this statement.

<u>General Fixed Assets</u>	<u>General Long-term Obligations</u>	<u>Total (Memorandum Only)</u>
\$ ---	\$ ---	\$ 688,156
---	---	919,695
---	---	34,086
128,500	---	128,500
1,676,263	---	1,676,263
453,386	---	453,386
1,280,106	---	1,280,106
---	88,041	88,041
<u>\$3,538,255</u>	<u>\$ 88,041</u>	<u>\$5,268,233</u>
\$ ---	\$ ---	\$ 23,688
---	---	32,226
---	---	1,019
---	53,041	53,041
---	35,000	35,000
---	88,041	144,974
<u>3,538,255</u>	---	<u>3,595,188</u>
---	---	---
<u>3,538,255</u>	---	<u>5,123,259</u>
<u>\$3,538,255</u>	<u>\$ 88,041</u>	<u>\$5,290,491</u>

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES, GOVERNMENTAL FUND TYPE -
GENERAL FUND
FOR THE YEAR ENDED December 31, 2003

REVENUES

Taxes - ad valorem (Note 4)	\$ 945,569
Intergovernmental	51,380
Fees and charges for library services	5,107
Fines and forfeitures	12,223
Interest income	9,345
Other revenues	<u>17,217</u>
Total revenues	<u>1,040,841</u>

EXPENDITURES

Current expenditures:

Culture and recreation - libraries:

Personal services and related benefits	598,591
Operating services	103,510
Materials and supplies	31,602
Travel and other charges	2,978
Capital outlay (Note 5)	132,249
Intergovernmental	32,226
Debt Service:	
Principal payment (Note 7)	35,000
Interest expense (Note 7)	<u>2,625</u>
Total expenditures	<u>938,781</u>

EXCESS (DEFICIENCY) OF REVENUES OVER
EXPENDITURES

102,060

FUND BALANCE, BEGINNING OF YEAR

1,482,944

FUND BALANCE, END OF YEAR

\$1,585,004

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL - GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEAR ENDED December 31, 2003

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
REVENUES			
Taxes - ad valorem (Note 4)	\$ 932,351	\$ 945,569	\$ 13,218
Intergovernmental	49,715	51,380	1,665
Fees and charges for library services	5,000	5,107	107
Fines and forfeitures	10,000	12,223	2,223
Interest income	10,000	9,345	(655)
Other revenues - grants, gifts, and refunds	---	17,217	17,217
Total revenues	<u>1,007,066</u>	<u>1,040,841</u>	<u>33,775</u>
EXPENDITURES			
Current expenditures:			
Culture and recreation-libraries:			
Personal services and related benefits	628,000	598,591	29,409
Operating services	101,910	103,510	(1,600)
Materials and supplies	47,000	31,602	15,398
Travel and other charges	6,200	2,978	3,222
Capital outlay (Note 5)	271,351	132,249	139,102
Intergovernmental	30,000	32,226	(2,226)
Debt service:			
Principal payments (Note 7)	35,000	35,000	---
Interest expense (Note 7)	2,625	2,625	---
Total expenditures	<u>1,122,086</u>	<u>938,781</u>	<u>183,305</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(115,020)	102,060	217,080
FUND BALANCE, BEGINNING OF YEAR	<u>1,482,944</u>	<u>1,482,944</u>	---
FUND BALANCE, END OF YEAR	<u>\$1,367,924</u>	<u>\$1,585,004</u>	<u>\$ 217,080</u>

The accompanying notes are an integral part of this statement.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2003

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Beauregard Parish Library provides for the general maintenance, upkeep, and construction of facilities used to house the parish library, and also provides for the replenishment of the parish library's book inventory.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a codification of governmental accounting and financial reporting standards (1993). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

GASB Codification Section 2100 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Oversight responsibility by the police jury is determined on the basis of the following criteria:

1. Appointment of governing boards.
2. Designation of management.
3. Ability to significantly influence operations.
4. Accountability for fiscal matters.
5. Scope of public service.

Because the Beauregard Parish Police Jury (1) appoints the governing board, (2) it has the ability to significantly influence operations, and (3) determines the scope of public service, the library was determined to be a component unit of the Beauregard Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the library and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2003

A. FUND ACCOUNTING

The accounts of the library are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Funds of the library are classified as governmental funds. Governmental funds account for the library's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the library include:

General Fund

The General Fund is the general operating fund of the library. It is used to account for all financial resources except those required to be accounted for in other funds.

B. FIXED ASSETS AND LONG-TERM OBLIGATIONS

Fixed assets used in governmental fund operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair market value when received.

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term obligations account group, not in the governmental funds.

The two account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2003

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds are accounted for using the flow of current financial resources measurement focus. The library's accounts are maintained on the cash basis of accounting. However, these accounts as reported in the accompanying financial statements have been converted to the modified accrual basis of accounting utilizing the following practices:

Revenues

Ad valorem taxes and the related state revenue sharing (which is based on population and homesteads in the parish) are recorded in the year taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Substantially all other revenues are recorded when received.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term obligations which is recognized when due.

D. BUDGET PRACTICES

The annual budget of the Beauregard Parish Library is adopted in accordance with Louisiana Revised Statutes 39:1301-1314. The budget was published in the official journal and made available for public inspection on November 17, 2002. The public hearing was held and the budget was adopted on

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2003

D. BUDGET PRACTICES (Continued)

December 11, 2002. Budgets are prepared on a cash basis of accounting. All budgetary appropriations lapse at the end of each year.

Budgeted amounts, included in the accompanying financial statements, include original adopted budget amounts and all subsequent amendments.

E. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds.

F. ACCOUNTS RECEIVABLE WRITE-OFF METHOD

The Library has adopted a write off policy wherein any account that is deemed uncollectible is written off directly when the account's collection efforts have been deemed unsuccessful.

G. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2003

Note 2 - CASH AND CASH EQUIVALENTS

Under state law, the library may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. At December 31, 2003, the library has cash and cash equivalents totaling \$688,156 as follows:

Interest-bearing demand deposits	\$688,156
Time deposits	<u>---</u>
Total	<u>\$688,156</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposits (bank balances) at December 31, 2003, are secured as follows:

Bank balances	<u>\$691,725</u>
Federal deposit insurance	\$100,000
Pledged securities (Category 3)	<u>591,725</u>
Total	<u>\$691,725</u>

The uncollateralized amount shown above is secured by pledged securities with a market value of \$984,363 held in the name of the pledging fiscal agent banks in holding or custodial banks. Even though the pledged securities are considered uncollateralized under GAAP, Louisiana Revised Statutes impose a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Library that the fiscal agent has failed to pay deposited funds upon demand.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2003

NOTE 3 - ANNUAL AND SICK LEAVE

All full-time employees earn from 80 to 240 hours of annual leave each year depending upon the length of employment and staff position with the library. Temporary or seasonal employees and regular part-time employees averaging 20 or more work hours each week earn annual leave on a pro-rata basis. Employees may accrue all unused annual leave. Employees with at least one year of continuous service shall be paid for any annual leave to their credit at the time of separation.

All full-time and regular part-time employees earn sick leave at the same rate as annual leave. Sick leave may be accumulated up to a maximum of 40 hours in addition to sick leave earned for use in the current benefit year. Sick leave is not payable upon separation.

At December 31, 2003, employees of the library have accumulated \$53,041 of employee leave benefits, computed in accordance with GASB Codification Section C60. This amount is recorded within the general long-term obligations account group.

The cost of leave privileges, computed in accordance with the above codification, is recognized as a current-year expenditure in the General Fund when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

Note 4 - AD VALOREM TAXES

The entire amount included in the "Receivables" section on the combined balance sheet for the General Fund is for ad valorem taxes which attach as an enforceable lien on property as of January 1 of each year. Taxes are levied to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

BEAUREGARD PARISH LIBRARY
 BEAUREGARD PARISH POLICE JURY
 DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 December 31, 2003

Note 4 - AD VALOREM TAXES (Continued)

The Library utilizes the Beauregard Parish Tax Collector/Sheriff to bill and collect its property taxes using the assessed values determined by the tax assessor of Beauregard Parish.

For the year ended December 31, 2003, taxes of 7.11 mills were levied on property with assessed valuation totaling and were dedicated to the General Fund.

Taxes were levied upon a total assessed valuation of \$133,104,078. The total amount levied was \$946,370. Furthermore, collections of delinquent taxes and other adjustments resulted in total collections of \$954,773. Taxes receivable at December 31, 2003, consisted of the following:

	<u>General</u>
Taxes receivable - current roll	\$919,695
Less: Allowance for uncollectible taxes	<u>---</u>
Net taxes receivable	<u>\$919,695</u>

Note 5 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Balance</u> Jan. 1, 2002	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> Dec. 31, 2002
Land and improvements	\$ 128,500	\$ ---	\$ ---	\$ 128,500
Buildings and improvements	1,676,263	---	---	1,676,263
Furniture and equipment	424,809	28,577	---	453,386
Library books and periodicals	<u>1,223,282</u>	<u>56,824</u>	<u>---</u>	<u>1,280,106</u>
Total	<u>\$3,452,854</u>	<u>\$ 85,401</u>	<u>\$ (53,662)</u>	<u>\$3,538,255</u>

The \$109,990 in additions consists of \$132,249 in 2003 capital outlay less \$46,848 in electronic services and connectivity charges. There were no donated assets during 2003.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2003

Note 6 - PENSION PLAN

Plan Description. Substantially all employees of the Beauregard Parish Library are members of the Parochial Employees' Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the library are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to three per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one per cent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225504) 928-1361610.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the library is required to contribute at an actuarially determined rate. The current rate is 7.5% of annual covered payroll. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish.

BEAUREGARD PARISH LIBRARY
 BEAUREGARD PARISH POLICE JURY
 DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 December 31, 2003

Note 6 - PENSION PLAN (Continued)

These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the library are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The library's contributions to the System under Plan A for the years ending December 31, 2003, 2002, and 2001 were \$23,648, \$24,515, and \$23,732, respectively, equal to the required contributions for each year.

Note 7 - LONG-TERM DEBT OBLIGATIONS

During the year ended December 31, 2003 the Library continued making principal payments on the \$300,000 in certificates of indebtedness, Series 1994, through three local banks. These certificates at 5% interest mature on March 1, 2004, with principal maturities over a ten year term from \$25,000 to \$35,000.

The following is a summary of long-term debt transactions of the Library for the year ended December 31, 2003 :

	Certificates of <u>Indebtedness</u>	Compensated <u>Absences</u>	<u>Total</u>
Balance 12-31-02	\$ 70,000	\$ 54,409	\$ 124,409
Additions	---	5,646	5,646
Deletions	<u>(35,000)</u>	<u>(7,014)</u>	<u>(42,014)</u>
Balance 12-31-03	<u>\$ 35,000</u>	<u>\$ 53,041</u>	<u>\$ 88,041</u>

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
December 31, 2003

Note 7 - LONG-TERM DEBT OBLIGATIONS (Continued)

Long-term debt maturities for the above certificates of indebtedness including interest of \$875 are as follows:

<u>Year Ending Dec. 31,</u>	<u>Amount</u>
2004	<u>35,875</u>
Total	<u>\$ 35,875</u>

Note 8 - RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts, theft or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Library carries commercial insurance as outlined in the following table. Settled claims did not exceed commercial coverage for any of the past three fiscal years.

	<u>LIMITS OF COVERAGE</u>
Workmen's compensation	\$1,000,000
Auto liability	1,000,000
Commercial general liability	2,000,000
Library-owned buildings and equipment	2,594,356

The Library covers all other losses, claim settlements, and judgments from operating resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The Library was not involved in any litigation nor did it have asserted claims lodged against it.

SUPPLEMENTAL INFORMATION

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
DERIDDER, LOUISIANA

COMPENSATION OF BOARD MEMBERS
December 31, 2003

During the period covered by this examination, there was no compensation paid to board members.

See independent auditor's report.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE FISCAL YEAR ENDED December 31, 2003

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

There were no prior year findings relating to internal control and compliance material to the financial statements.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FED-
ERAL AWARDS**

There were no prior year findings relating to internal control and compliance material to federal awards.

SECTION III MANAGEMENT LETTER

There was no management letter with prior year audit report.

See independent auditor's report.

BEAUREGARD PARISH LIBRARY
BEAUREGARD PARISH POLICE JURY
MANAGEMENT'S CORRECTIVE ACTION PLAN

FOR THE FISCAL YEAR ENDED December 31, 2003

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENT**

N/A

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FED-
ERAL AWARDS**

N/A

SECTION III MANAGEMENT LETTER

N/A

See independent auditor's report.